



गैल इंडिया लिमिटेड
GAIL (India) Limited

**Methodology for determination of procurement price of Biogas under
CBG-CGD Synchronization scheme**

1. Collection of CNG Retail Selling Prices (RSP) of GAIL CGDs, GAIL's joint venture companies and GAIL Gas Ltd. on any working day between 16th-22nd day of the month preceding the 6-monthly period for which the procurement price of Biogas is to be determined.
2. Determination of simple average of the CNG RSPs mentioned above. Let this determined value be 'A'.
3. Corresponding to CNG RSP 'A', determination of "Procurement price of CBG @80% of average of slab (without GST)" from the SATAT pricing table, circulated vide MoM 18.04.2022 by Oil & Gas Marketing Companies (**Annexure-1**). Let the determined value be 'B'.
4. Accordingly, the price (Rs./Kg) of Biogas with above mentioned composition @90% of Methane will be = B - Compression charge = B – 8.
5. The above price is converted from Rs/Kg to Rs/MMBTU which becomes the Biogas price for the upcoming 6-monthly period under the Synchro scheme.
6. Presently, the price is determined on 6-monthly basis and applicable w.e.f 1st May and 1st November.



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Annexure-1

S No	Lower Retail Selling Price of CBG in Slab	Higher Retail Selling Price of CBG in Slab	Average of Slab	Procurement price of CBG @80% of average of slab	Procurement price of CBG @80% of average of slab	Cost & Margin for OGC @20% of average of slab	Cost & Margin for OGC @20% of average of slab
	including tax	including tax	including tax	Without GST	With GST	Without GST	With GST
	Rs./kg	Rs./kg	Rs./kg	Rs./kg	Rs./kg	Rs./kg	Rs./kg
1	Upto 70		-	54.00	56.70	-	-
2	70.01	75.00	72.51	55.25	58.01	13.81	14.50
3	75.01	80.00	77.51	59.06	62.01	14.76	15.50
4	80.01	85.00	82.51	62.86	66.01	15.72	16.50
5	85.01	90.00	87.51	66.67	70.01	16.67	17.50
6	90.01	95.00	92.51	70.48	74.01	17.62	18.50
7	95.01	100.00	97.51	74.29	78.01	18.57	19.50

Note: For further increase in slabs beyond Rs. 100/kg, same formula will be followed.

The above pricing modalities have been prepared keeping in view present CNG price more than ~Rs. 70/kg in all markets, based on which minimum procurement price of Rs. 54/kg has been fixed. If there is a drop in CNG prices below Rs. 70/kg, the Industry Committee may review the minimum procurement price of Rs. 54/kg & implement accordingly.